

# HANDBOOK FOR REAL ESTATE APPRAISER COURSE PROVIDERS

2007

STATE OF CALIFORNIA  
OFFICE OF  
REAL ESTATE APPRAISERS



*State of California*

**OFFICE OF REAL ESTATE APPRAISERS**

**ARNOLD SCHWARZENEGGER**  
*GOVERNOR*

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**1102 Q STREET, SUITE 4100  
SACRAMENTO, CALIFORNIA 95814  
Telephone (916) 552-9000  
fax (916) 552-9007**

**website: [www.orea.ca.gov](http://www.orea.ca.gov)**

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# INTRODUCTION

## BACKGROUND

**T**itle XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), requires all states to regulate individuals who appraise real property in federally related transactions. In response to the act, the California Legislature created the Office of Real Estate Appraisers (OREA) to ensure that only those appraisers who meet the minimum requirements for education and experience become licensed, and to educate and discipline those licensed appraisers who violate standards of professional conduct.

## ABOUT THIS BOOK

**P**roviders wishing to offer courses for use by appraisers in satisfying educational requirements must obtain OREA accreditation as a provider, as well as accreditation for any courses to be offered. This handbook contains information regarding the minimum requirements for such accreditation. Every effort has been made to ensure the information is current and accurate as of January 1, 2007. However, as with any program, changes may occur. Please refer to the OREA website at [www.orea.ca.gov](http://www.orea.ca.gov) for current statutes, regulations and rules that prevail over any information contained in this handbook.

Please read all directions carefully and completely. Also, please do not attempt to complete the application forms until you read and understand all of the instructions.

For your reference, please retain this handbook after you have applied. It contains information regarding criteria for course approval, what to do to revise your approved courses, and record-keeping requirements.

This handbook is not copyrighted. All portions may be reproduced freely.

## ACCREDITATION BY OREA

As indicated in the previous section, OREA accredits both course providers and the individual courses offered. Upon documented proof of satisfaction of all requirements, a school may be issued an OREA course provider approval number. Similarly, OREA reviews individual courses and issues course approval numbers if all requirements have been met.

Colleges or universities which are accredited by a regional accrediting body of the U.S. Office of Education are not required to obtain OREA accreditation. However, colleges and universities offering OREA accepted courses are strongly encouraged to submit a *Course Accreditation and Description* (REA 3014) and an *OREA Topic Matrix* (REA 3015), along with a copy of the course outline or syllabus for OREA review. OREA will then add the course and approved topics to our databases to eliminate the need for students to submit the information with their applications.

This also applies to Real Estate Appraisal and Advanced Real Estate Appraisal courses approved by the Department of Real Estate for basic education.



## COURSE PROVIDER ACCREDITATION

Course providers must be accredited by OREA to offer approved educational courses to real estate appraisers. To apply for OREA accreditation, course providers must submit a *Course Provider Accreditation* (REA 3013), along with all required fees and attachments. Course provider accreditation is issued for a period of up to four years and may be renewed.

OREA course providers must cooperate with OREA in the investigation or auditing of courses, instructors, students and education providers.

The following are the requirements and necessary information to become an OREA approved course provider.

### INSTRUCTORS

At this time course providers are not required to have their instructors approved with OREA. However, course providers must ensure that all instructors teaching OREA accredited courses meet at least one of the following criteria:

- Hold a bachelors degree or higher in a field related to real estate appraising from a school listed as an institution of higher learning by the U.S. Office of Education, or from a comparable school of a foreign country;
- Hold a valid teaching credential or certificate, authorizing the holder to teach in the field of knowledge covered in the offering;
- Have five years full-time work experience in the field being taught; or
- Have a combination of full-time work experience and full-time college level education totaling at least five years.

### *USPAP (Uniform Standards of Professional Appraisal Practice) Instructors*

USPAP instructors must be Appraiser Qualifications Board (AQB) Certified USPAP Instructors. USPAP courses taught by non-AQB Certified USPAP Instructors will not satisfy the basic and/or continuing education USPAP requirement.

### *AQB Certified USPAP Instructor Requirements*

To become AQB Certified USPAP Instructors, individuals must attend an *AQB USPAP Instructor Certification Course*. The course is two and one-half days in duration and attendees must receive a passing grade on the examination at the conclusion of the course. In addition, in order to maintain AQB certification, every two years instructors must attend a 7-hour *USPAP Update for Instructors* course, and pass the examination. Prerequisites for the course include:

- Seven years of appraisal experience in any discipline;
- At least 35 classroom hours of appraisal teaching experience within the last 5 years; and
- Hold a Certified Residential or Certified General Appraiser License.

Instructors wishing to become AQB Certified must apply directly with the AQB. OREA will not be able to assist with specific questions regarding the application procedure or course.

## RECORDS RETENTION

**C**ourse Providers must maintain business records for a period of at least five years and provide any records to OREA within 30 days upon receipt of a written request. At a minimum, the records retained must include;

- Business and mailing address of course provider as on file with OREA;
- Written records of attendance and grades for each student; and
- The principal place of business or the mailing address at which each of the instructors of OREA accredited courses can be contacted.

In addition, Course Providers must maintain a student record for each participant for a period of at least five years from the completion of the course. At a minimum, records must include:

- The OREA approval number for the offering;
- Name and address of each participant;
- Course title and hours of credit approved;
- Date(s) of course and course completion;
- Name and address of course provider;
- Identity of verifier of attendance; and
- Course grade or other evidence of satisfactory completion.

## CHANGE OF ADDRESS OR TELEPHONE NUMBER

**A**s a courtesy, OREA provides the public with the name, address, telephone number, and website address of approved course providers, and colleges and universities. This list may be obtained on our website and in written form.

Course Providers must submit written notification of any change in business or mailing address to OREA within 10 days of the change. In addition, if a course provider discontinues offering courses or wishes to have their name removed from the course provider lists provided to the public, a written request must be submitted to OREA.

## ADVERTISING

**A**ny written information Course Providers provide to the public regarding their school or course offerings must:

- Clearly identify the provider as being accredited by OREA, along with the provider approval number;
- Clearly identify the course(s) that have been accredited by OREA, along with the OREA course approval number or, in the alternative, must contain a clear statement that not all courses offered by the course provider are OREA approved; and
- Must provide a clearly legible telephone number and address for the course provider which may be utilized by those interested in determining if a specific course offered by the provider has been approved by OREA.
- Clearly contain the dates of initial publication or distribution.

If an advertisement is for multiple course providers, each course provider must be clearly identified on the publication. In addition, each course listed on the advertisement must specifically indicate the course provider that holds the course approval.

Advertising shall NOT contain the following:

- A stated or implied endorsement of the course provider or of any course by OREA or the State of California other than that applicable to OREA approvals;
- Any false, misleading or deceptive information;
- Any asterisk or other reference symbol to contradict or to change the ordinary meaning of the material in the body of the advertisement;
- Any offers or inducements precluded by law; or
- Any indication that a course is approved for OREA credit if offered by any other entity other than the course that received OREA approval.



## ENROLLMENT INFORMATION

Course Providers shall provide students the following information upon enrollment:

- Course outline;
- Refund policy;
- Grading policy; and
- Rules of classroom conduct.

## COMPLETION CERTIFICATES

Course Providers shall provide a completion certificate to students within 15 days of successful completion of a course. Completion certificates must include, at a minimum:

- OREA course approval number;
- Name and address of the student;
- Name and address of the course provider;
- Course title;
- Type of presentation (classroom or correspondence);
- Date of successful course completion;
- Date of final examination (basic education courses only);
- A statement that the student was in attendance for 90 percent of the course hours (for continuing education courses only);
- Name, title and signature of the person verifying completion of the course; and
- A statement under penalty of perjury by the person signing the certificate that the information contained is true and correct.

For Credit After January 1, 2008:

OREA strongly recommends that the hours for each module(s) covered in the class be listed on the course completion certificates

## USPAP Completion Certificates

In addition to the requirements above, course completion certificates for the 15-hour *National USPAP Course* and the 7-hour *National USPAP Update Course* must contain the name and AQB Certification number of the course instructor.

Please refer to the sample course completion certificate attached in the appendix.

## SUBCONTRACTORS, AGENTS AND FRANCHISEES

Course providers are responsible for the actions of their subcontractors, agents and franchisees for activities related to their course provider accreditation and must ensure that all persons and entities comply with all requirements. In addition, all contracts entered into by or on behalf of course providers for services must contain a requirement that the service providers comply with all provisions of law related to their course provider accreditation.

All course completion certificates and advertising material for courses offered by subcontractors, agents or franchisees must indicate the name of the course provider approved by OREA to offer the course(s).

## COURSE PROVIDER RENEWAL

Course provider approvals are valid for four years, and it is the responsibility of course providers to ensure that they are renewed prior to their expiration date if they wish to continue offering courses. Course Providers may renew by submitting the following:

- *Course Provider Accreditation* (REA 3013);
- Attendance policy;
- Grading policy;
- Instructor hiring policy;
- Refund and re-examination policy;
- Final examination policy;
- Records retention policy;
- Subcontracting policy;
- Sample of course completion certificates; and
- Required fees.

## TERMS OF ACCREDITATION

Course provider accreditation shall be for a term of four years after which the course provider must apply for renewal by submitting all applicable forms and required fees. Course providers must maintain an active status with OREA. If a course provider accreditation expires, is withdrawn or closed, all active courses approved for the course provider will automatically expire.

It is the course providers responsibility to ensure that course and course provider accreditation are renewed prior to the expiration date.

## DENIAL OR REVOCATION OF COURSE PROVIDER ACCREDITATION

Course providers that do not meet the Minimum requirements will not be accredited.

A course provider that has been accredited by OREA will have the accreditation withdrawn if OREA determines that the provider no longer meets or has violated the requirements for course provider accreditation. The process for denial or withdrawal is as follows:

- OREA will notify the course provider in writing, setting forth the reasons for denial or withdrawal of accreditation.
- Within 30 days of receipt of the notification, the course provider may submit a written request for a hearing.
- The Director or designee will hold a hearing within 90 days of receipt of the written request for a hearing, unless another date is agreed upon in writing by both parties.
- The Director or designee will issue a written decision within 30 days of the hearing.

Please note, in any hearing, the burden of proof that the course provider complies with the requirements is on the party seeking accreditation.

Individuals completing courses in which registration was completed prior to the date of withdrawal of the course provider accreditation will receive OREA credit.

In addition, individuals completing courses offered by providers that have been denied accreditation may apply for course credit by submitting a *Petition of Equivalency Credit* (REA 3005) with all required attachments and fees. Submittal of this form, however, does not ensure OREA credit for the course.



## COURSE ACCREDITATION

Educational course offerings are divided into two categories: basic education and continuing education. Basic education courses are those taken to satisfy the minimum education requirements for an appraiser license. Continuing education courses are those taken by a licensed appraiser to renew his or her license. An accredited OREA course provider must submit a *Course Accreditation and Description* (REA 3014) along with all required fees and attachments in order to have a course accredited by OREA.

### BASIC EDUCATION

To qualify for an appraiser license, an applicant must complete a minimum number of acceptable hours and specific topics as required by the Appraiser Qualifications Board (AQB) of The Appraisal Foundation.

Classes that have been approved for basic education may also be used for continuing education. However, a student may not use the same course for both purposes. Therefore, courses that were used in qualifying for an upgrade license may not also be used to satisfy continuing education requirements or vice versa. In addition, the time allotted for the final examination of a basic education course may not be counted towards continuing education hours.

There are four levels of appraiser licensing and as of January 1, 1998, the required number of hours of basic education for each level are as follows:

- Trainee License – 90 hours, which must include a 15-Hour *National USPAP Course*.
- Residential License – 90 hours, which must include a 15-Hour *National USPAP Course*.
- Certified Residential License – 120 hours, which must include a 15-Hour *National USPAP Course*.
- Certified General License – 180 hours, which must include a 15-Hour *National USPAP Course*.

In addition to the hours noted, applicants must complete education covering each of the required topics for a particular license level, as noted on the following page. A course syllabus and *OREA Topic Matrix* (REA 3015) must be submitted for each course indicating the topics covered in the course. A minimum of one hour must be spent on a topic in order for it to be a covered course topic.

Basic education courses also must:

- Include a closed book final examination per established AQB appraiser qualification criteria. Questions which appear in the final examination cannot be reviewed with students before, during or after the course;
- Be a minimum of 15 hours in length, not including time allotted for the final examination; and
- Adequately cover at least one of the required topics indicated in the following table.

The following table shows the AQB basic education topics required for each license level. A minimum of one classroom hour must be devoted to the topic in order for the class to be credited as covering the topic.

**BASIC EDUCATION TOPICS**

Applies to Initial and Upgrade Applications received through December 31, 2007

AQB Topic	License Level		
	Trainee/ Residential	Certified Residential	Certified General
Influences on Real Estate Value	X	X	X
Legal Considerations in Appraisal	X	X	X
Types of Value	X	X	X
Economic Principles	X	X	X
Real Estate Markets and Analysis	X	X	X
Valuation Process	X	X	X
Property Description	X	X	X
Highest and Best Use Analysis	X	X	X
Appraisal Statistical Concepts	X	X	X
Sales Comparison Approach	X	X	X
Site Value	X	X	X
Cost Approach	X	X	X
Valuation of Partial Interests	X	X	X
Narrative Report Writing		X	X
Uniform Standards of Professional Appraisal Practice (USPAP)	15 hours – See below for additional USPAP requirements		
Required Income Approach Topics:			
Gross Rent Multiplier	X	X	X
Estimation of Income and Expenses	X	X	X
Operating Expense Ratios	X	X	X
Direct Capitalization		X	X
Cash Flow Estimates			X
Measures of Cash Flow			X
Discounted Cash Flow Analysis			X

## BASIC EDUCATION (EFFECTIVE JANUARY 1, 2008)

**E**ffective with initial and upgrade applications received on or after January 1, 2008, the education requirements to qualify for an appraiser license will be changing significantly.

To qualify for an appraiser license, an applicant will have to complete a minimum number of acceptable hours and specific modules as required by the AQB. The Trainee License requirements reflect California Regulations.

The required number of basic education hours for each level are as follows:

### **Trainee License**

150 hours, which must include a 15-Hour *National USPAP Course*. In addition, course work cannot be taken more than 5 years prior to the application date.

### **Residential License**

150 hours, which must include a 15-Hour *National USPAP Course*.

### **Certified Residential License**

200 hours, which must include a 15-Hour *National USPAP Course* and an Associate Degree from a Regionally Accredited College.

In lieu of the Associate Degree, an applicant can complete 21 college semester credits in courses covering specific subject matters as follows:

1. English Composition;
2. Principles of Economics (Micro or Macro);
3. Finance;
4. Algebra; Geometry or higher mathematics;
5. Statistics;
6. Introduction to Computers; and
7. Business or Real Estate Law

### **Certified General License**

300 hours, which must include a 15-Hour *National USPAP Course* and a Bachelors Degree from a Regionally Accredited College.

In lieu of the Bachelors Degree, an applicant can complete 30 college semester credits in courses covering specific subject matters as follows:

1. English Composition;
2. Micro Economics;
3. Macro Economics;
4. Finance;
5. Algebra; Geometry or higher mathematics;
6. Statistics;
7. Introduction to Computers;
8. Business or Real Estate Law; and
9. Two elective courses in the following:
  - accounting;
  - geography;
  - ag-economics;
  - business management; or
  - real estate.

## CORE CURRICULUM REQUIREMENTS

Applicants will be required to complete education according to a required core curriculum for each license level. Each required core curriculum is comprised of a series of required modules. A module is a subject matter area that consists of several subtopics. A course may consist of one or two complete modules or portions of several different modules. Therefore, course providers must decide how they wish to develop their courses to meet the 2008 requirements. The required modules that are required for each license level effective January 1, 2008, are summarized on the following pages.

A course syllabus, a timed course outline and an *OREA Topic Matrix Addendum* must be submitted for each course indicating the modules and module subtopics covered in the course. A minimum of one subtopic within a module is required in order for a student to receive credit for the module.

Additionally, students will only receive hour credit toward their appraisal license requirements for time spent on instruction of a subtopic within a module.

Example: A real estate principles class contains six hours of instruction on appraisal subject matter. Therefore, students will receive six hours credit towards their qualifying education for a real estate appraisal license.



## 2008 BASIC EDUCATION MODULE REQUIREMENTS

Minimum Hour	Basic Education Modules	License Level		
		Trainee / License	Certified Residential	Certified General
30	Basic Appraisal Principles	X	X	X
30	Basic Appraisal Procedures	X	X	X
15	15-Hour National USPAP Course	X	X	X
15	Residential Market Analysis and highest and Best Use	X	X	
15	Residential Appraiser Site Valuation and Cost Approach	X	X	
30	Residential Sales Comparison and Income Approach	X	X	
15	Residential Report Writing & Case Studies	X	X	
15	Advanced Residential Applications and Case Studies		X	
15	Statistics Modeling and Finance		X	X
30	General Appraiser Market Analysis and Highest and Best Use			X
30	General Appraiser Sales Comparison Approach			X
30	General Appraiser Site Valuation and Cost Approach			X
30	General Appraiser Report Writing and Case Studies			X
60	General Appraiser Income Approach			X
	Appraisal Subject Matter Electives. May include hours over the minimum requirement in the above modules or in modules not required		20 hours	30 hours

## 2008 BASIC EDUCATION MODULE AND SUBTOPICS

The following are the subtopics for each module. Not all module subtopics are required for credit toward completion of a module. The examination, however, will be based on all of the subtopics. Courses may contain one module or parts of one or more modules.

### **Basic Appraisal Principles (30 hours required at all levels)**

- A. Real Property Concepts and Characteristics
  - Basic Real Property Concepts
  - Real Property Characteristics
  - Legal Description
- B. Legal Consideration
  - Forms of Ownership
  - Public and Private Controls
  - Real Estate Contracts
  - Leases
- C. Influences on Real Estate Values
  - Governmental
  - Economic
  - Social
  - Environmental, Geographic and Physical
- D. Types of Value
  - Market Value
  - Other Value Types
- E. Economic Principles
  - Classical Economic Principles
  - Application and Illustrations of the Economic Principles
- F. Overview of Real Estate Markets and Analysis
  - Market Fundamentals, Characteristics, and Definitions
  - Supply Analysis
  - Demand Analysis
  - Use of Market Analysis
- G. Ethics and How They Apply in Appraisal Theory and Practice

### **Basic Appraisal Procedures (30 hours required at all levels)**

- A. Overview to Approaches to Value
- B. Valuation Procedures
  - Defining the Problem
  - Collecting and Selecting Data
  - Analyzing
  - Reconciling and Final Value Opinion
  - Communicating the Appraisal
- C. Property Description
  - Geographical Characteristics of the Land/ Site
  - Geologic Characteristics of the Land/Site
  - Location and Neighborhood Characteristics
  - Land/Site Considerations for Highest and Best Use
  - Improvements – architectural Styles and Types of Construction
- C. Residential Applications

### **The 15-Hour National USPAP Course or It's Equivalent (required at all levels)**

### **Residential Market Analysis and Highest and Best Use (15 Hours required at AT, AL & AR Levels)**

- A. Residential Markets and Analysis
  - Market Fundamentals, Characteristics and Definitions
  - Supply Analysis
  - Demand Analysis
  - Use of Market Analysis
- B. Highest and Best Use
  - Test Constraints
  - Application of Highest and Best Use
  - Special Considerations
  - Market Analysis
  - Case Studies



### **Residential Appraiser Site Valuation and Cost Approach** **(15 Hours required at AT, AL & AR Levels)**

- A. Site Valuation
  - Methods
  - Case Studies
- B. Cost Approach
  - Concepts and Definitions
  - Replacement/Reproduction Cost New
  - Accrued Depreciation
  - Methods of Estimating Accrued Depreciation
  - Case Studies

### **Residential Sales Comparison and Income Approaches** **(30 Hours required at AT, AL & AR Levels)**

- A. Valuation Principles & Procedures – Sales Comparison Approach
- B. Valuation Principles & Procedures – Income Approach
- C. Finance and Cash Equivalency
- D. Financial Calculator Introduction
- E. Identification, Derivation and Measurement of Adjustments
- F. Gross Rent Multipliers
- G. Partial Interests
- H. Reconciliation
- I. Case Studies and Applications

### **Residential Report Writing and Case Studies** **(15 Hours required at AT, AL & AR Levels)**

- A. Writing and Reasoning Skills
- B. Common Writing Problems
- C. Form Reports
- D. Report options and USPAP Compliance
- E. Case Studies

### **Statistics, Modeling and Finance (15 Hours required at AR & AG Levels)**

- A. Statistics
- B. Valuation Models (AVM's and Mass Appraisal)
- C. Real Estate Finance

### **Advanced Residential Applications and Case Studies (15 Hours at AR Level)**

- A. Complex Property, Ownership and Market Conditions
- B. Deriving and Supporting Adjustments
- C. Residential Market Analysis
- D. Advanced Case Studies

### **General Appraiser Market Analysis and Highest and Best Use (30 Hours required at AG Level)**

- A. Real Estate Markets Analysis
  - Market Fundamentals, characteristics and Definitions
  - Supply Analysis
  - Demand Analysis
  - Use of Market Analysis
- B. Highest and Best Use
  - Test Constraints
  - Application of Highest and Best Use
  - Special Considerations
  - Market Analysis
  - Case Studies

### **General Appraiser Sales Comparison Approach (30 Hours required at AG Level)**

- A. Value Principles
- B. Procedures
- C. Identification and Measurement of Adjustments
- D. Reconciliation
- E. Case Studies

## **General Appraiser Site Valuation and Cost Approach**

**(30 Hours required at AG Level)**

- A. Site Valuation
  - Methods
  - Case Studies
- B. Cost Approach
  - Concepts and Definitions
  - Replacement/Reproduction Cost New
  - Accrued Depreciation
  - Methods of Estimating Accrued Depreciation
  - Case Studies

## **General Appraiser Income Approach**

**(60 Hours required at AG Level)**

- A. Overview
- B. Compound Interest
- C. Lease Analysis
- D. Income Analysis
- E. Vacancy and Collection Loss
- F. Estimating Operating Expenses and Reserves
- G. Reconstructed Income and Expense Statement
- H. Stabilized Net Operating Income Estimate
- I. Direct Capitalization
- J. Discounted Cash Flow
- K. Yield Capitalization
- L. Partial Interests
- M. Case Studies

## **General Appraiser Report Writing and Case Studies**

**(30 Hours required at AG Level)**

- A. Writing and Reasoning Skills
- B. Common Writing Problems
- C. Report Options and USPAP Compliance
- D. Case Studies

## **COURSES APPROVED TO MEET 2008 REQUIREMENTS**

Course providers who wish to use currently approved basic education courses to meet both the current and 2008 requirements may submit an *OREA Topic Matrix Addendum*, and timed course outline. Submitting this form converts currently approved classes to modules so students can use classes under both the current and 2008 requirements.

Courses may be converted to qualify under the modular subtopics if the course content and hours do not change. Course providers will simply be placing current curriculum into the new modules. If the course content and hours change, OREA will need to review the course as a new course requiring the submittal of a *Course Accreditation and Description* (REA 3014), *OREA Topic Matrix* (REA 3015), *OREA Topic Matrix Addendum*, timed course outline, textbooks and other student materials and a \$500.00 fee for each course. Please note: a fee is not required for regionally accredited community colleges and universities.

OREA strongly urges course providers to develop new courses incorporating the modular approach. In addition to the *Course Accreditation and Description* (REA 3015), required attachments and the \$500.00 fee, course providers should complete and submit both the *OREA Topic Matrix* (REA 3015), the *OREA Topic Matrix Addendum* and timed course outline for all new basic education courses. By submitting both forms, courses can be used under current and new requirements.

Please note: Courses which do not have the above forms on file with OREA regarding module coverage by December 31, 2007, will be closed.

## USPAP COURSES

A USPAP course taken for basic education must be the 15-hour *National USPAP Course* or it's equivalent instructed by an AQB Certified USPAP Instructor.

## DEPARTMENT OF REAL ESTATE (DRE) COURSES

Real Estate Appraisal and Advanced Real Estate Appraisal courses approved by DRE for basic education are currently accepted by OREA. These courses do not require OREA approval. However, we strongly encourage course providers to submit the following information to OREA to ensure that students are awarded proper topic or module approval for the course: If the course is a distance education course, approval by the International Distance Education Certification Center (IDECC) is required in order for the course to be accepted at the certified levels:

- *Course Accreditation and Description* (REA 3014);
- *OREA Topic Matrix* (REA 3015);
- Course syllabus and/or course outline;
- Verification of DRE approval; and
- Verification of IDECC approval (distance education only).

For Credit After January 1, 2008:

- Timed course outline; and
- *OREA Topic Matrix Addendum*.

## COLLEGE AND UNIVERSITY COURSES

Appraisal related courses offered by colleges or universities which are accredited by a regional accrediting body of the U.S. Office of Education do not require OREA approval. However, to ensure that students are awarded proper credit for courses, OREA strongly encourages colleges and universities to submit the following information to OREA.

- *Course Accreditation and Description* (REA 3014)
- *OREA Topic Matrix* (REA 3015); and
- Course syllabus and/or course outline.

For Credit After January 1, 2008:

- Timed course outline; and
- *OREA Topic Matrix Addendum*.

Fees are not required for this process. However, colleges and universities are encouraged to keep OREA updated with changes to course content and school curriculum, to ensure students are credited with proper course content and are not required to individually submit course outlines or syllabuses.

## CONTINUING EDUCATION

To renew an appraiser license, a licensee must complete the number of hours of continuing education as required by the AQB. The AQB requires each licensee to complete an average of 14 hours of continuing education for each year of licensure.

Continuing education courses or seminars must be a minimum of 2 hours in length and are not required to have a final examination. If a course includes a final examination, the examination hours are ineligible for continuing education credit. Courses must cover appraisal-related topics such as:

- Ad valorem taxation;
- Arbitration;
- Business courses related to practice of real estate appraisal;
- Development cost estimating;
- Ethics and standards of practice;
- Land use planning, zoning, taxation;
- Management, leasing, brokerage, timesharing;
- Property development;
- Real estate appraisal, valuation;
- Real estate law;
- Real estate litigation;
- Real estate financing and investment;
- Real estate appraisal-related computer applications;
- Real estate securities and syndication; and
- Real property exchange.

### *Federal and State Laws and Regulations*

The four-hour course entitled *Federal and State Laws and Regulations*, is required during each continuing education cycle. In lieu of attending this course licensees may certify that all applicable federal and state laws and regulations have been read and understood. Certification of this course does not give licensees a four hour credit towards their continuing education. It merely waives attendance of the course.



### *Uniform Standards of Professional Appraisal Practice (USPAP)*

Licensees must complete the 7-Hour *National USPAP Update Course* or it's equivalent instructed by an AQB Certified USPAP Instructor every two years. Evidence of course completion must be submitted with each renewal application.

## METHOD OF INSTRUCTION

### Classroom Education

Classroom education courses and seminars are physically attended by the students. They are presented “live” by an instructor who meets OREA requirements, and are presented in a classroom setting. These classes may be approved for students at any level provided they meet the requirements previously mentioned in this handbook.

### Distance Education

Distance education courses include those offered via correspondence, internet, video, computer study, or any method of instruction that has a geographical separation of the student and the instructor. OREA regulations do not allow the approval of distance education courses unless the courses meet all OREA requirements in addition to all of the following:

#### Basic Education

- The course is either offered by a college or university that is accredited by a regional accrediting body of the U.S. Office of Education and offers distance education courses in other disciplines, or has had the delivery methodology approved by the International Distance Education Certification Center (IDECC).
- The individual successfully completes a written examination personally;
- The examination is administered by an official approved by the college or university;
- The course meets the requirements for AQB appraisal-related courses; and
- The course is a minimum of 15 classroom hours.

#### Continuing Education

- The course is either offered by a college or university that is accredited by a regional accrediting body of the U.S. Office of Education and offers distance education courses in other disciplines, or has had the delivery methodology approved by the International Distance Education Certification Center (IDECC).
- The course meets the requirements for AQB appraisal-related courses; and

Distance education courses of less than 14 hours in duration that are not approved by either an accredited college or university or the International Distance Education Certification Center (IDECC) may be approved for continuing education at the Trainee and Residential License levels only, provided the courses meet all other OREA and AQB requirements.



## COURSE APPROVAL

An approval letter is sent to the course provider upon approval of a course. This letter will indicate the OREA approval number, the basic education topics OREA awarded the course, the number of module hours OREA awarded for the course, and the number of basic education and continuing education hours the course was granted. Prospective students may ask for the information in this letter. Retain this letter for your records and reference.

Acceptance of course approval by OREA constitutes agreement to abide by all regulations listed in this handbook and in Article 9, California Code of Regulations, Title 10, Chapter 6.5. OREA approval of courses is valid:

- For a maximum period of four years from the date of approval;
- Until a material change is made to the course; or
- Until you are otherwise notified by OREA.

A material change means a significant deviation in one or more aspects from the course offering, school ownership, management or operating policies as approved by OREA, including but not limited to a change in curriculum, course length, form or substance of the final examination, workbooks, texts or syllabi. However, a change designed exclusively to reflect recent changes in statutes, regulations, or laws is not considered a material change in the course.

## COURSE RENEWAL

Course approvals are valid for four years, and it is the responsibility of course providers to ensure that courses are renewed prior to course expiration dates if they wish to continue offering the courses. Course Providers may renew courses by submitting the following:

- *Course Accreditation and Description* (REA 3014);
- *OREA Topic Matrix* (REA 3015);
- Course syllabus and/or course outline; and
- Required fees.

For Credit After January 1, 2008

- Timed course outline; and
- *OREA Topic Matrix Addendum*

## TERMS OF ACCREDITATION

Course accreditation shall be for a term of four years or until a material change is made to the course, after which the course provider must apply for renewal by submitting all applicable forms and required fees. In addition, course providers must maintain an active status with OREA. If a course provider accreditation expires, is withdrawn or closed, all active courses approved for the course provider will automatically expire.

It is the course providers responsibility to ensure that course and course provider accreditation are renewed prior to the expiration date.



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## APPENDIX

## REFERENCE GUIDE

**The Appraisal Foundation**

1155 15th Street, NW, Suite 1111  
Washington, DC 20005  
Telephone: (202) 347-7722  
Fax: (202) 347-7727  
[www.appraisalfoundation.org](http://www.appraisalfoundation.org)

**Appraiser Qualifications Board (AQB)**

1155 15th Street, NW, Suite 1111  
Washington, DC 20005-3517  
Telephone: (202) 347-7722  
Fax: (202) 347-7727  
[www.appraisalfoundation.org](http://www.appraisalfoundation.org)

**Appraisal Standards Board**

1155 15th Street, NW, Suite 1111  
Washington, DC 20005-3517  
Telephone: (202) 347-7722  
Fax: (202) 347-7727  
[www.appraisalfoundation.org](http://www.appraisalfoundation.org)

**Department of Real Estate**

2201 Broadway  
Sacramento, California 95814  
Telephone: (916) 227-0931  
[www.dre.ca.gov](http://www.dre.ca.gov)

**International Distance Education Certification  
Center (IDECC)**

Post Office Box 230159  
Montgomery, Alabama 36123-0159  
Telephone: (334) 260-2928  
Fax: (334) 260-2903  
[www.idecc.org](http://www.idecc.org)

**Office of Real Estate Appraisers (OREA)**

1102 Q Street, Suite 4100  
Sacramento, California 95814  
Telephone: (916) 552-9000  
Fax: (916) 552-9007  
[www.orea.ca.gov](http://www.orea.ca.gov)

NAME OF SCHOOL  
ADDRESS

## Certificate of Completion

This is to Certify that

NAME OF STUDENT  
ADDRESS

CITY, STATE, ZIP CODE

Has completed the following [indicate OREA approved course hours] hour course in a classroom setting and  
successfully completed a closed book final exam on MM/DD/YY.

[OREA APPROVED COURSE TITLE]

MODULES COVERED:  
(HRS) BASIC APPRAISAL PRINCIPLES

OREA Course Approval No.: XXXXXXXXXX

I CERTIFY UNDER PENALTY OF PERJURY  
THAT THE ABOVE INFORMATION IS TRUE  
AND CORRECT.

MM/DD/YY

Course Completion Date

Instructor

**BE Certificates that do not contain the following may delay processing of student applications:**

- Name of school
- Name & Address of Student
- Course Hours
- Course Title
- Date of final examination
- OREA Approval Number
- Course Completion Date
- Modules Covered in Class
- Method of Instruction (Classroom or Distance)
- Penalty of Perjury Statement with signature of verifier
- USPAP Certificates must contain name of instructor

NAME OF SCHOOL

ADDRESS

## Certificate of Completion

This is to Certify that

NAME OF STUDENT

ADDRESS

CITY, STATE, ZIP CODE

Has completed the following Indicate OREA approved course hours hour course in a classroom setting and  
Attended at least 90% of the Course.

[OREA APPROVED COURSE TITLE]

OREA Course Approval No.: XXXXXXXXXX

LEGACY UNDER PENALTY OF PERJURY  
THAT THE ABOVE INFORMATION IS TRUE  
AND CORRECT.

MM/DD/YY

Course Completion Date

Instructor

CE Certificates that do not contain the following may delay processing of student applications:

- Name of school
- Name & Address of Student
- Course Hours
- Course Title

- Penalty of Perjury Statement with signature of verifier
- USMAP Certificates must contain name of instructor

- 90% Attendance
- OREA Approval Number
- Course Completion Date
- Method of Instruction (Classroom or Distance)

NAME OF SCHOOL  
ADDRESS

## Certificate of Completion

This is to Certify that

NAME OF STUDENT  
ADDRESS

CITY, STATE, ZIP CODE

Has completed the following [*indicate OREA approved course hours*] hour course via Distance Education.

[OREA APPROVED COURSE TITLE]

MODULES COVERED:  
(HRS) BASIC APPRAISAL PRINCIPLES

OREA Course Approval No.: XXXXXXXXXXXX

I CERTIFY UNDER PENALTY OF PERJURY  
THAT THE ABOVE INFORMATION IS TRUE  
AND CORRECT.

MM/DD/YY

Course Completion Date

Instructor

**Distance Education Certificates that do not contain the following may delay processing of student applications:**

- Name of school
- Name & Address of Student
- Course Hours
- Course Title
- OREA Approval Number
- Course Completion Date
- Method of Instruction (Classroom or Distance)
- Penalty of Perjury Statement with signature of verifier
- USPAP Certificates must contain name of instructor